

## CUSTOMER VALUE CREATION: EXPLORING CUSTOMER VALUE IN CAR ADVERTISEMENTS

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International Business  
Bachelor's Thesis  
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### Objectives

The main objective of this study is to investigate customer value creation and different attributes that affect to the outcome of value creation. The particular focus will be on car brand advertising in print media advertisement. The aim is to understand, how car companies communicate values for their products and how does it appear in advertisements.

### Summary

This research identified four different customer values companies can create to their products: functional value, experiential value, symbolic value and cost value. The value creation is influenced by different attributes that are used in the value creation. Depending on the attributes used, different values are created.

### Conclusions

This study found that car companies use variety of sources of value to create customer values. Values are mostly created through two appearances: verbally and visually. Depending on the advertised product and target customer group, car brands focus on advertising certain customer values, which represent the desired benefits of the advertised car. The results of this study also indicate that in car advertising creation of a single customer value usually leads simultaneously to creation of another customer value

**Key words:** *customer value, advertising, cars*

**Language:** English

**Grade:**

COVER PAGE	
TITLE PAGE	
ABSTRACT	
TABLE OF CONTENTS	

## **TABLE OF CONTENTS**

<b>1. INTRODUCTION</b>	<b>1</b>
1.1. Research objectives and questions	2
1.2. Definition of customer value	3
<b>2. LITERATURE REVIEW</b>	<b>4</b>
2.1. Importance of value creation	4
2.2. Customer value creation	5
2.2.1. Functional/Instrumental value	5
2.2.2. Experiential/Hedonic value	6
2.2.3. Symbolic/Expressive value	7
2.2.4. Cost/Sacrifice value	8
2.3. Sources of values used in the value creation	8
2.3.1 Pre-purchase	8
2.3.2. Post-purchase	9
2.4. Communication of values	11
2.5. Advertising	12
2.5.1. Appeals in advertising	12
2.5.2. Visuals in advertising	14
2.6. Conceptual framework	15
<b>3. METHODOLOGY</b>	<b>16</b>
3.1. Data collection	16
3.2. Data analysis	17
3.2.1. Categorization of sources of values	18
3.2.2. Categorization of value dimensions	20
<b>4. FINDINGS AND ANALYSIS</b>	<b>22</b>
4.1. Sources of values used in the car advertisement sample	23
4.1.1. Information	23
4.1.2. Product	25
4.1.3. Interaction	28
4.1.4. Environment	29

4.1.5. Ownership transformation .....	31
4.2. Value dimensions used in the car advertisement sample.....	32
<b>5. DISCUSSION AND CONCLUSIONS.....</b>	<b>38</b>
5.1. Main findings .....	38
5.2. Implications for international business.....	40
5.3. Limitations and suggestions for further research.....	41
<b>REFERENCES.....</b>	<b>43</b>

## 1. INTRODUCTION

Customer value creation has changed during the last 100 years. During the 19<sup>th</sup> and 20<sup>th</sup> centuries, the process of customer value creation was determined as a company-centric operation (Prahalad & Ramaswamy, 2004a; Vargo & Lusch, 2004). Customers did not affect the value creation process because their role was rather isolated from it. Therefore, manufacturers who output services and tangible goods determined the customer value rather the market that consumed the services and products. This was mostly used approach in the market because consumers and companies assumed that products and services in the market have certain value that is exchanged in the trading process. However, the value creation process has shifted from the outside of the market to the inside of the market due to increased amount of available products from which customers can choose the superior product (Prahalad & Ramaswamy, 2004a). In addition, the availability of information regarding products has increased and changed value creation in the market (Butz & Goodstein, 1996). Thus, interaction in the market has become more important for companies because the market place can be defined as a forum in which companies and customers co-create customer and brand value with each other (Prahalad & Ramaswamy, 2004b; Merz et al., 2018).

Many companies face challenges regarding the value creation process because they assume that they are aware of different attributes and features customers value in the product. As a result, many companies end up conducting unsuccessful business operations due to wrong assumptions regarding their customers. For example, American car industry failed in the 20<sup>th</sup> century due to inability to understand and respond to the growing desire and need for cars that are smaller and consume less fuel. (Butz & Goodstein, 1996) Therefore, companies have started to pay more attention on making superior customer value propositions compared to their competitors due to customers' increased power of determining the superiority of the final value (Payne et al., 2008). Thus, it is essential for companies to understand, what the market wants, needs and most importantly – values.

This thesis will focus on customer value creation of car companies. From companies' perspective, values can be delivered by advertising and through different public relations and brand management activities such as packaging, labeling and

instructions (Smith & Colgate, 2007). Considering the car industry, advertising can be classified as an essential opportunity for car companies to reach targeted consumer groups (Roux, 2014). Advertising can further positively affect the success of sales operations and customer relationship. Furthermore, advertising can be also seen as a tool for companies to inform and educate customers about their brands and products (Bendixen, 1993). Thus, advertising can be seen as an essential tool for car companies in the automotive industry because it is an opportunity to persuade consumers to be aware of their offerings and values, which can further positively result in successful business operations.

### **1.1. Research objectives and questions**

Due to the changes in the customer value creation and lack of existing academic studies concerning the combination of customer value creation and car brands, this thesis will observe customer value creation in the context of car brand advertisement in print media. The aim of this study is to first examine different customer values and how the value creation occurs. Additionally, after examining and determining different customer values and their creation, a qualitative research of combining the theory of customer value creation and car advertising in print media advertisement will be conducted to study the customer value creation in practice. As a result, this thesis aims to answer to the following research questions:

1. What are the different value dimensions through which customer value can be created in advertising?
2. How the value dimensions are delivered in advertising?
3. How customer value creation occurs in car brand advertisement in print media?

## **1.2. Definition of customer value**

In order to make it easier to follow the thesis, the following paragraph will give the definition of customer value.

Customer value considers organization's customers perspective, what they want and believe to get for buying and using the seller's offered product or service (Woodruff, 1997). The value is relative to what customers get and what they have to give up (Smith & Colgate, 2007). Customer value is created when the benefits customers associate with the product exceed the life-cycle costs of the product (Slater & Narver, 2000; Cadden & Lueder, 2012). Customers evaluate the benefits of the objective, a product or service, from a subjective perspective (Holbrook, 1999). Thus, depending on customer perceptions, products have certain value for their users.



## **2. LITERATURE REVIEW**

This literature review will discover customer value creation. From customer's perspective, customer value is created when customers can attach a product or service to its benefits, and the benefits exceed the life-cycle costs of the product or service (Slater & Narver, 2000). Thus, it is relative to what customers have to give-up for the benefits (Zeithaml, 1988). The aim of this literature review is to observe different sources of value that companies can use in customer value creation and how they come to exist in advertising regarding different value dimensions. Finally, based on the current knowledge of customer value creation, a conceptual framework will be proposed in order to be able to analyze the value creation in practice.

### **2.1. Importance of value creation**

Value creation is important for both customers and companies in the market. Value perceptions have effect to all purchase decisions, whether the purchaser is a single company or the final customer of the company (Bowman & Ambrosini, 2000). Furthermore, Bowman and Ambrosini (2000) also argue that the decisions of customers and companies are affected by similar judgement, subjective judgement, by the person who is in charge of procuring companies inputs to company's outputs or an individual who is making the decision of buying a product or service. Similarly, Payne and Storbacka (2008) emphasize the customer value creation process as set of different activities that include decisions and judgements in order to accomplish the goal.

Furthermore, many companies recognize the patterns of value creation but are unable to recognize attributes and characteristics that consumers are able to perceive and value. Thus, companies add features to products and services, which do not add or hold any value for customers because those are not in the standards of the industry. (Butz & Goodstein, 1996) As a result, companies waste their resources that could be used in a more efficient and effective way in the value creation. Hence, it is important that customers are taught the required knowledge, information and skills to achieve

the goal with the product (Payne et al., 2008). As a result, customers would be able use the product, attach values to the product and compare it to others in the market.

## **2.2. Customer value creation**

Researchers have found different customer value creation dimensions that give a possibility to understand value creation in the market. According to Holbrook (1999), dimensions in the market space represent the characteristics, features and attributes of brands and products that provide value to consumers. The attributes of the dimensions are communicated through an interaction between the subject, consumer or customer, and the object, the product. This indicates that companies should provide customers a chance to interact with the product. Furthermore, this would be useful for companies in order to understand customers' preferences in the market. However, as Woodall (1997) notes, some companies stick to same value dimensions for too long because the market is unstable and continuously changing.

One of the most current approaches of customer value dimensions have been carried out by Smith and Colgate (2007) who have recognized four different values that products' or services' can offer to their users. In the following chapters, the focus is going to be on the values and their attributes.

### **2.2.1. Functional/Instrumental value**

First value determined by Smith and Colgate (2007) is functional value. Consumers have functional needs that motivate them to search for solutions for consumption-related problems. In order to find a solution that fulfils the functional needs, consumer seek for products that have desired characteristics and result to be useful and perform successfully in a desired purpose. (Smith & Colgate, 2007) Similarly, Doyle (2001) and Sheth et al. (1991) have also determined functionality as one attribute that adds value to the product. Furthermore, functional values can be seen as correct, accurate or appropriate features that results in positive outcomes and performance, e.g. reliability and desired performance quality (Smith & Colgate, 2007).

In addition, Kergoat et al. (2017) state that companies can communicate functional values by using verbal claims that express the benefits of the product. However, by using pictures or videos, companies can also demonstrate functional benefits of products. These abilities are fundamental for companies because by either visually demonstrating or verbally claiming the product benefits companies can communicate with their customers and advise them to use the product in a most appropriate way that benefits the customer, and thus add value for the product.

### **2.2.2. Experiential/Hedonic value**

Second value determined by Smith and Colgate (2007) is experiential value. Consumers seek to satisfy experiential needs by gaining desired benefits from products that provide perceptual satisfaction, diversity and cognitive simulation to consumers. Thus, consumers expect products to create applicable feelings, experiences and emotions regarding the values. (Smith & Colgate, 2007) Furthermore, Gaston-Berton and Duque (2015) add that hedonic benefits fulfil consumers' needs for exploration and entertainment. To et al. (2007) support this because they state that consumers are hedonically motivated if they can pursue adventure, authority and status by purchasing the product. Hence, as Yuan and Wu (2008) state, experiential value marketing not only focuses on physical attributes of products or services, but also on the entire experience that companies create to their customers.

In addition, Maghnati (2012) et al. outline that experiential value marketing focuses on customers' emotions and sense stimulation. Delgado-Ballester and Sabiote (2015) support this because they state that companies can communicate experiential values to consumers by using different visual attributes in marketing such as adequate colors, music and design elements. Moreover, Maghnati et al. (2012) add that through verbal messages companies can also add experiential value to products. Thus, it is essential for companies to both visually and verbally to stimulate experiences and emotions in their marketing efforts in order to add experiential value to the product or service.

### **2.2.3. Symbolic/Expressive value**

Third recognized value by Smith and Colgate (2007) is symbolic value. They define symbolic value to be psychological meanings that consumers can attach or associate to a product. Similarly, Barry and Hansen (2008, p. 270) determine symbolic value to be social and cultural meanings that enable consumers to express themselves and their social identities through purchasing and using the product. Thus, the satisfaction of the symbolic needs and value creation is concerned to the point in which consumers attach the desired psychological attributes and meanings to the product. When companies successfully delivers fulfilment for a cultural needs that customers desire to be associated with, symbolic value is created (Barry & Hansen, 2008). Similarly, Doyle (2001) supports the observation by Barry and Hansen because he has also recognized emotional benefits to give consumers confidence regarding the product and its brand. Furthermore, Smith and Colgate (2007) and Tynan et al. (2010) describe luxury goods as an example that provide symbolic values and psychological benefits to customers. For example, BMW and Rolex are examples of brands that are purchased due to their prestige, status and image that benefit consumers in a psychological way (Smith & Colgate, 2007).

In addition, in order to communicate symbolic value, companies may use positive cultural meanings that consumers could attach to themselves and find valuable (Barry & Hansen, 2008). This can be done, for example, by using visual attributes such as symbols or verbal messages, which deliver psychological benefits to customers. However, as Barry & Hansen (2008) state, companies must be able to understand the different cultural meanings associated with different objects because this helps them to avoid sending messages that could be assimilated mistakenly, and thus add negative value to the product. Furthermore, Smith & Colgate (2007) also remind that some meanings can have personal associations to a particular consumer, which may affect the consumer's perceptions regarding the advertisement.

#### **2.2.4. Cost/Sacrifice value**

Last value that Smith and Colgate (2007) have recognized is cost and sacrifice value, which is determined by the amount of costs and sacrifices that have to be given in order to gain the benefits for the product. This has been determined in the same way as Zeithaml (1988) describes the customer value to be the benefits customers get for what they have to give up. Furthermore, Smith and Colgate (2007) describe the give-ups, costs or sacrifices, to be economic costs such as price paid, operational costs, switching costs and opportunity costs of the purchase. Thus, companies can communicate cost value through pricing and lowering possible risks related to the purchase, e.g. giving guarantees and warranties for the product. Moreover, Cadden and Lueder (2012) support statement by Smith and Colgate because they have also recognized the same cost/sacrifice relation as a component of customer value. The costs determine, whether the final consumer surplus will be positive or negative concerning the benefits and life-cycle costs to the customer (Slater & Nerver, 2000).

### **2.3. Sources of values used in the value creation**

Smith and Colgate (2007) have recognized five different sources of values: information, products, interactions, environment and ownership transfer. With the sources, companies can communicate with customers to co-create value to their products. However, because the sources can be distributed to sources used before the purchase and after the purchase, in following chapters the focus will be on the pre-purchase stage and the post-purchase stage.

#### **2.3.1 Pre-purchase**

One of the sources of value that affects in the pre-purchase stage and is determined by Smith and Colgate (2007) are the interactions between the producer and the customer. Through interactions, companies can communicate values of their product and brand to consumers. Hence, for example, cost/sacrifice value can be created because consumers can use the product more efficiently and effectively because they

are informed about the preferred and beneficial way of using the product. Moreover, Smith and Colgate (2007) add that interactions are a method to create hedonic value since consumers become more aware of the product characteristics and attributes that create emotional attachments. Yet, Bendixen (1993) supports the interactions as source of value because organization try to communicate with their customers, both current and potential, to add value to their products.

Another source of value determined by Smith and Colgate (2007) is information. Information is highly related to the interactions because in order to inform customers about the product and its benefits, companies have to generate information regarding the product. Furthermore, the information of product or service can be delivered in different value-chain activities, for example in advertisement, public relations and brand related attributes including packaging, labels and instructions. Similarly, Niemelä-Nyrhinen and Uusitalo (2013) further elaborate on the information delivery because they identify packaging as one component that adds functional values through attributes in the package. For instance, companies can inform customers about the usage of the product in an appropriate way that maximizes the benefits, and thus add functional value to the product (Smith & Colgate, 2007).

### **2.3.2. Post-purchase**

One of the sources of value that affects in the post-purchase stage and is determined by Smith and Colgate (2007) are products, tangible goods that provide different values to customers. Products act as storages of different values because a product has price that effects the cost/sacrifice value, different attributes that function as symbolic values and characteristics and attributes that create psychological benefits in terms of experiential values. For example, brand of a product is an example of an attribute that can add both symbolic value and experiential value to the product. Thus, regarding interaction, companies want to interact with their customers, both pre-purchase and post-purchase, in order to co-create experiences that can be associated to the brand, and thus add value to the product (Merz et al., 2018).

In addition, Smith and Colgate (2007) have determined environment as one source of value, which can be identified in the post-purchase stage. Appropriate environment for the product usage can create different values to consumers. For example, if the product is used in an environment in which customer can use the product in a beneficial way that is appropriate to the product, e.g. an off-road-vehicle in wilderness, product's functional value can be created. In addition, if the product is used in surroundings in which customers can attach feelings and emotions to the product, experiential and symbolic value can be created. Furthermore, Prahalad and Ramaswamy (2004b) agree with the environment as value creation source. According to them, environment is a place in which a company and its customers can create experience together through a dialogue in which company co-constructs personalized experiences between a customer and a product. Thus, companies should aim to create a favorable environment for customers because according to Lemon and Verhoef (2016) a dynamic environment can have a significant influence on customer experience, which can have positive impact on values.

Furthermore, Smith and Colgate (2007) have defined ownership/possession transformation as a source of value. In other words, it is about purchasing processes and deliveries that can add value by satisfying customers' needs and expectations. If a customer has a seamless experience across different co-operational channels of the company, the customer will have a stronger customer experience (Lemon & Verhoef, 2016). This can have a positive impact on the valuation of the customer experience regarding the purchasing process and product, and thus add value to the product. Furthermore, related to the smoothness of purchasing processes and deliveries, Cadden and Lueder (2012) note time as one component of customer value because time spent for traveling to the location of the product can increase both economical and psychological costs of the product. Thus, fast and easy product delivery process can add functional value and customer's satisfaction to the process can add experiential value.

## **2.4. Communication of values**

The communication of values has been determined as one of the main source of value creation in the co-creation process between companies and their customers (Smith & Colgate 2007; Aitken & Lawson 2008). It is widely used to enhance the advertising effects and the effectiveness of interaction between organizations and their customers (Bendixen, 1993). Due to the increased competition in the market, consumers have more products and services to choose from, and thus marketers try to ensure that their target customers would fully understand the meaning of the advertisement and attach the pursued values in the advertisement to the marketed product. In addition, marketers try to find new ways of delivering messages through new communication channels, e.g. digital technologies and art, which offer opportunities for consumers to participate in the brand-related activities, and thus understand the added values that companies provide for the customers (Choi et al., 2016).

Moreover, consumers have different motives to use certain media channel, which can lead to selective exposure for certain media and content (Aitken & Lawson, 2008). For example, some people may read newspaper to discover current news from the world, but some other people may read it for entirely different purpose, for example just to read the comics or search for job advertisements. This creates challenges for marketers because consumers' interaction with companies in advertising channels is complex and hard to understand with conventional advertising theories (Aitken & Lawson, 2008). If companies do not know the reasons why consumers prefer to use certain media, it is hard to create content that would successfully deliver the desired message to the customer in a beneficial way. There has been some studies, for instance a study by Chowdhury & Tushi (2016) which explored the effectiveness of advertising in different media channels among young consumers in Asia, that argue certain media channels to be more preferable and effective among certain customer groups. However, consumers' behavior and reasons for media usage vary around the world in different age groups in different locations.



## **2.5. Advertising**

Companies have different objectives for advertising campaigns. Bendixen (1993) describes five main objectives for companies to advertise:

1. To create awareness for the product and the brand
2. To inform consumers about the benefits and features of the product and the brand
3. Create desired perceptions of the product and the brand
4. Generate a preference for the product and the brand
5. Persuade consumers to make the decision to purchase the product and the brand

These are the five desired objectives of advertising campaigns regardless the advertising channel. Companies should be aware of the effectiveness of advertising objectives because it has a positive impact on the success of advertising campaign and companies are able to use more efficiently their budgets (Bendixen, 1993). Furthermore, Vargo and Lusch (2004) also note that the objective of companies has shifted from tangible goods to intangibles that result in communication and interaction between the company and the customer. Moreover, Bendixen (1993) highlights the same notification of intangible assets and features of the product, which increases communication between the customer and company, and hence has a positive impact on the co-creation of value.

### **2.5.1. Appeals in advertising**

Johar and Sirgy (1991) have described two appeals of products: utilitarian functional appeal and value-expressive image appeal. While the utilitarian appeal is persuasion through functional appear of the product, the value-expressive image appeal is persuasion of audience by self-congruity. This model helps to analyze different attributes of products and brands in visual advertisement. Companies can use different appeals to create certain value to their products. Similar to discovery by Johar and Sirgy, Shavitt (1992) has also recognized comparable types of appeals in advertisements.

Firstly, utilitarian appeal occurs when the persuasion of audience is conducted through functional appeals of the product (Johar & Sirgy, 1991). As previously discussed, through functional appeals companies create value based on the physical utilization of the product. Thus, through pursuing functional appeals companies can pursue to create functional and cost value to the product. Furthermore, Johar and Sirgy (1991) highlight that companies should emphasize on attributes consumers prefer to have in the product and expect the product to offer. This shows that researchers have recognized the importance of consumer preferences but as Butz & Goodstein (1996) state some companies are unable to identify significant attributes for consumers. However, this can be caused by different perceived user values by consumers because they have a subjective perspective from which they judge and recognize the usefulness of the offered product (Bowman & Ambrosini, 2000). Therefore, consumers should be aware of their desired product offerings because companies could use it as an advantage to create functional value.

Secondly, value-expressive appeal occurs when persuasion of audience is conducted by self-congruity (Johar & Sirgy, 1991). This means that companies aim to match the brand image with consumer's self-concept (Sirgy & Johar, 1999). Hence, this is highly related to symbolic and experiential values because the value creation happens by using different psychological attributes related to the product. Furthermore, Johar and Sirgy (1991) describe four different types of product-user self-images: self-image as the actual result, ideal self-image that consumers' aim for, the targeted social-self image and the ideal social self-image. Therefore, consumers have two different self-images: the ideal self-image and the actual self-image. Thus, by purchasing products, consumers can pursue for their ideal self-image but might end up with different self-image. This shows that consumers have certain psychological needs that they try to satisfy.

	Value- Expressive Appeal is Effective When	Utilitarian Appeal is Effective When
Product differentiation	Low	High
Product life style	Maturity stages	Developmental stages
Product scarcity	High	Low/Moderate
Product conspicuousness	High	Low
Consumer involvement	Low	High
Consumer prior knowledge	Low	High
Consumer self-monitoring	High	Low

Figure 1: Proposed Factors Affecting Effectiveness of Value-Expressiveness Versus Utilitarian Appeals (Johar & Sirgy, 1991).

Thirdly, Johar and Sirgy (1991) have described the effectiveness of value-expressive appeal and utilitarian appeal regarding different factors in the product and the purchasing process. Whereas value-expressive appeals tend to be more effective in a saturated market that includes similar products and little need for consumer involvement, utilitarian appeal tend to be more effective in a market that include unique products that require knowledge to be utilized in an effective way. Therefore, value-expressive appeal is more about using product and environment as sources of value and utilitarian appeal is more about information and interactions as sources of value.

### 2.5.2. Visuals in advertising

There are two reasons for using visuals in advertising: to gain attention and to create impact on consumers and stimulate potential interest (Moriarty 1987; Hecker & Stewart and Wells et al., cited in Daechun 2007). These visuals can be either literal or symbolic visuals. With literal visuals, consumers are able to identify the product, its brand and function because it should give a description of product's use. Thus, companies try to help consumer to understand where the product should be used and how the product should be used (Moriarty, cited in Daechun 2007). As previously

discussed, marketers aim to add functional value by using these attributes. On the other hand, symbolic visuals act as psychological factors in the product. According to Moriarty (1987), symbolic visuals include association to the product and the lifestyle that can be attached to a typical user. For instance, companies can use celebrities as sources of value to demonstrate the benefits of the product. Therefore, symbolic visuals are a way of creating symbolic and experiential value to a product.

## 2.6. Conceptual framework

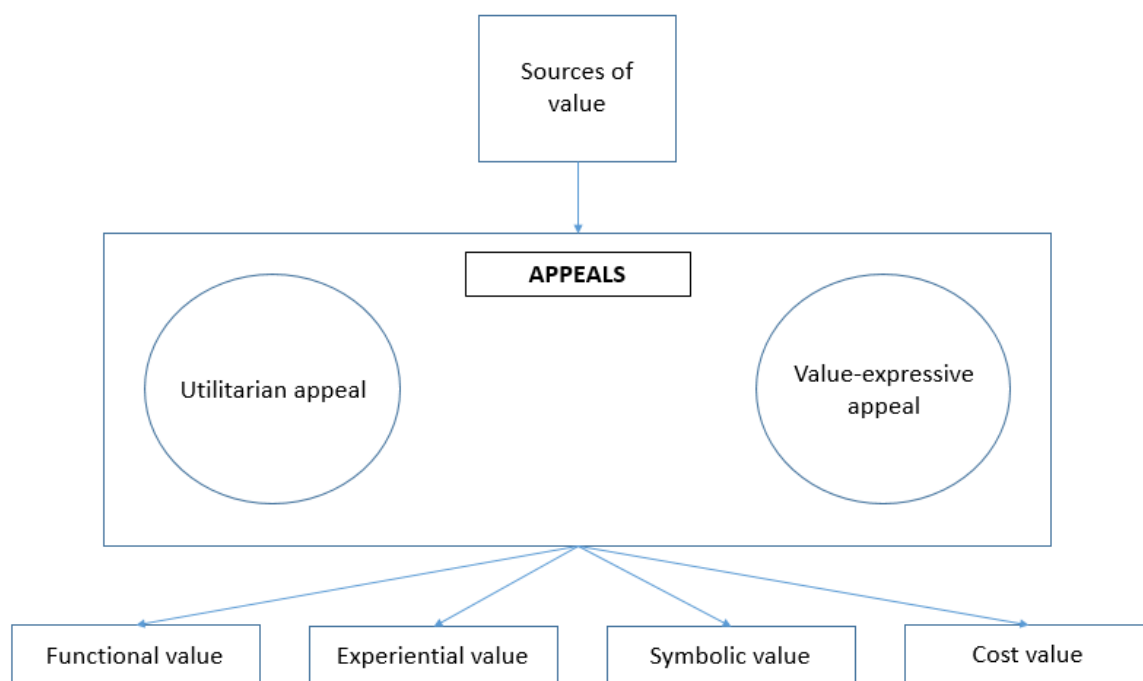


Figure 2: Conceptual framework for customer value creation analysis

This conceptual framework was developed based on the current knowledge of consumer perceived values, which were introduced in this literature review. The conceptual framework will help to explain, how the values appears in advertisements. Firstly, by recognizing different sources of value used in an advertisement, this framework will help to detect different appeals in the advertisement. Based on the appeals, different values can be recognized. This whole process helps to understand, what and how companies pursue different attributes in their advertisements in order to create value to their products.

### **3. METHODOLOGY**

This research is based on qualitative data, which will be further analyzed to gain understanding of customer value creation in practice. Qualitative research was chosen as the research approach since it offers a way to study objects, in this context value creation in advertising, by interpreting the phenomena in terms of the meanings people can associate to them (Hennik et al., 2011). In this study, the delivered customer value will be explored in car brand advertisement in print media. The sample of car advertisements was gathered from three different magazines that are published in different countries. This gives both an opportunity to compare car advertising between different magazines, but also between different countries. Samples of the magazines were collected during the same time period, and thus observations of the magazines are comparable to others in terms of publication of the advertisements.

#### **3.1. Data collection**

The sample of advertisements was collected from three different magazines: Kauppalehti Optio (Finland), BBC Top Gear (UK) and Motor Trend (USA). The time period of magazine collection was from 31<sup>th</sup> August 2017 till 28<sup>th</sup> February 2018. During this time, 11 Kauppalehti Optios, 6 BBC Top Gears and 6 Motor Trends were published. From these magazines, all car advertisements were collected. The total amount of car advertisements was 117. However, because many advertisements occurred for multiple times, the total amount of different car advertisements resulted to be 89, which will be the total quantity used in the data analysis.

Kauppalehti Optio was one of the magazines from which car advertisements were collected. The magazine is published 22 times a year in Finland and the content is mainly produced for business people since the magazine covers topics around the business world. The publisher, Alamedia, claims the magazine to be one of the leading business and lifestyle magazines in Finland ([www.almamedia.fi](http://www.almamedia.fi)). In this research, the sample of Kauppalehti Optio consisted of 11 magazines, which were published during the sample collection time period. In total, there were 32 car

advertisements in the magazines. However, due to duplicated car advertisements, the total amount of different car advertisements was 28.

BBC Top Gear was another magazine from which car advertisements were collected. The magazine is published 12 times a year in the United Kingdom and the content is mainly produced for people who are interested in cars since the magazine covers mostly car reviews and news from the automotive world. In this research, the sample of BBC Top Gear magazines consisted of six magazines, which were published during the sample collection time period. In total there were 41 car advertisements in the magazines. Due to high amount of duplicated car advertisements, the total amount of different car advertisements ended up to be 28.

Motor Trend was the third magazine from which car advertisements were collected. Motor Trend is an American automobile magazine, which is published 12 times a year in the United States. Similar to Top Gear, Motor Trend also focuses on car reviews and car related news from the automotive world. In this research, the sample of Motor Trend magazines consisted of six magazines, which were published during the sample collection time period. In total, there were 44 car advertisements from which 33 were different advertisements.

### **3.2. Data analysis**

The collected sample of car advertisements was analyzed in the context of customer value creation. The analyzing part was conducted by discovering visual appearances in the advertisements. Visual data analysis was chosen as the research focus due to its significance in advertising: consumers rate visual elements in advertising in order to process appealing parts of the advertisement, which leads to getting persuasive impact created by the advertiser (Andrews et al, 2010). This is a fundamental function for companies in order to pursue successful marketing activities. Furthermore, the focus of data coding and analysis was on the previously discussed sources of values, different value dimensions and appeals used in advertising. All advertisements were coded similarly in the same data categories. In the following chapters, the categorization of the data will be further discussed.

### 3.2.1. Categorization of sources of values

#### Information

<i>Little information</i>	Up to one paragraph of text and a slogan, text has little role
<i>Some information</i>	A few paragraphs of text and a slogan, text has moderate role
<i>A lot of information</i>	Numerous paragraphs of text and a slogan, text has significant role

Table 1: Information categorization

One of the sources of value discovered in the literature review was information. As summarized in Table 1, information of car advertisements was classified to three different categories: little information, some information and a lot of information. When the advertisement had little text, up to one significant paragraph and slogan, the advertisement was considered to have little information. When the advertisement had a few paragraphs of text and a slogan and the text could be considered to have a moderate role, the advertisement was considered to have some information. Finally, when the text had a significant role and the advertisement included numerous paragraphs of text and a slogan, the advertisement was considered to have much information.

#### Product

<i>General view</i>	Outside, inside or both
<i>Picturing the car</i>	From the front, from the side or from behind (dominating side)
<i>Movement</i>	Moving or in place
<i>Number of cars</i>	One car or multiple cars

Table 2: Product categorization

Another source of value discovered was products. As Table 2 shows, four features were considered regarding the product: general view, picturing the car, movement and

number of cars. General view, the point of view from which the advertisement picture has been taken from, was classified to be from outside, inside or both. Point of view was determined as from the front, from the side or from the behind considering the dominant side of the car in the advertisement. Movement was classified whether the car was moving or not. Finally, the number of cars was categorized as one car or multiple car depending on the number of cars in the advertisement.

### Interaction

<i>Slogan</i>	Refers to the car or to the values of consumers
---------------	---

Table 3: Interaction categorization

Furthermore, interaction was another source of value discovered in the literature review. As summarized in Table 3, the interaction in the advertisements was considered through the use of slogan. If the slogan was attached to the advertised car or to a performance that could be accomplished with the car and cannot be straightly attached to the values of a consumer, the slogan was considered to be referring to the car. However, if the slogan did not directly link to the car and the characteristics of the car were instead appealing to consumers and their values, the slogan was considered to be referring to the values of consumers.

### Environment

<i>Surroundings</i>	City, road, racetrack or studio
<i>Time of year</i>	Summer, winter or cannot be determined
<i>Terrain</i>	Easy or tough terrain

Table 4: Environment categorization

In addition, environment was one of the sources of value. This data analysis considers three different aspects of environment represented in Table 4: surroundings of the picture, time of year and terrain. Regarding the surroundings, the picture was considered to be from city if it had buildings, from road if nature was in significant role in the picture, from racetrack if the road and surroundings were racetrack like and from



studio if the car was not in a natural place. Furthermore, the advertisement was considered to be from summer if weather was sunny, warm and summer-like and from winter if snow or ice was in the picture. Finally, terrain was considered to be easy if the road was straight and there were not significant relieves in the picture and considered to be tough if road had strong curves, there were relieves and substances that make driving challenging, e.g. snow, sand or ice.

### **Ownership transformation**

<i>Appearance</i>	Usage of the car or displaying the car
<i>Driver</i>	Driver or no driver

Table 5: Ownership transformation categorization

Finally, ownership transformation was the last introduced source of value in the literature review. This data analysis considers ownership from two aspects represented in Table 5: appearance of the car and driver of the car. Regarding appearance of the car, advertisements were classified to two groups: whether the advertisement was representing usage of the car in terms of driving and describing features or the picture is more about displaying the car to audience. In addition, driver category was categorized whether the driver in the car could be recognized or not.

### **3.2.2. Categorization of value dimensions**

In addition to the sources of value, the focus was also on value dimensions that were introduced in the literature review. The concentration was especially on the role of text and picture in the advertisements. Regarding the picture and visual appearance in the advertisements, when linking an object, product, with a certain image, ads make it possible for product's users to associate meanings how they want to themselves to be viewed (Messaris, 1997). This can further deliver value to customers, especially concerning psychological and emotional values. In addition, textual information can be also seen as a tool for delivering value because it can describe the visual content or be solely used to extract information, which will be useful for understanding the visual content (Cho et al, 2013). In this data sample, values were rated to have either picture

in the dominant role, text in the dominant role, both in equal role or cannot be determined. In the following chapters the characteristics of the values will be discussed.

Firstly, functional value was one of the concentrated values. The focus was on whether the functional aspect of the car was either demonstrated in the picture, in text or both. For example, if cars were in an environment in which consumers would successfully use them, e.g. small city cars in cities or off-road vehicles in tough environment, the functional aspect of the car would be demonstrated in the picture. Conversely, if the usage or capabilities of the car were described in the text, the functional aspect of the car would be demonstrated in the text. Finally, if both of these apply, the advertisement was considered to create functional value in both picture and text.

Secondly, experiential value was another value, which was introduced in the literature review. In this data analysis, the following appearances of experiential value were observed: ability to evoke feelings and emotions, pursuing entertainment, demonstrating driving experience by having a driver and connecting cars to an appropriate environment. The concentration was on whether these characteristics of experiential value were recognizable in the picture, text or both.

Thirdly, symbolic value was another value observed in the advertisements. In this data analysis, the focus was on status, cultural connections and slogan. For example, status could be created by displaying the car proudly, cultural connections with text or picture associations and slogan through symbolic associations. The concentration was on whether these associations and features are represented in the picture, in text or both.

Fourthly, the final value dimensions introduced in the literature review was cost value. In this data analysis, cost value was defined through representation of price in the advertisement. If the price of the car could be detected easily from the picture, for example font being large or numbers being bolded, cost value was created in the advertisement. If the price was hard to detect due to small font or numbers being barely recognizable, cost value was not created in the advertisement.

#### 4. FINDINGS AND ANALYSIS

In this chapter, the concentration will be on the results of data interpretation. The results of the data interpretation will be introduced in the context of customer value creation. Based on this, findings can be further elaborated and analyzed.

<b>Brands</b>	<b>Kauppalehti Optio</b>	<b>Top Gear</b>	<b>Motor Trend</b>	<b>Total</b>
Alfa Romeo	2	0	2	4
Audi	4	3	2	9
BMW	3	0	0	3
Caterham	0	2	0	2
Chevrolet	0	0	1	1
Citro��n	0	1	0	1
Ford	3	3	1	7
Honda	0	1	4	5
Infiniti	0	0	4	4
Jaguar	0	1	2	3
Jeep	2	0	1	3
Kia	2	1	1	4
Land Rover	1	2	0	3
Lexus	1	0	1	2
Mazda	0	0	1	1
Mercedes-Benz	1	0	1	2
Nissan	0	1	4	5
Peugeot	0	6	0	6
Seat	0	3	0	3
Skoda	5	1	0	6
Subaru	0	0	2	2
Toyota	0	0	5	5
Volkswagen	4	2	0	6
Volvo	0	1	1	2
<b>Total</b>	<b>28</b>	<b>28</b>	<b>33</b>	<b>89</b>

Table 6: Car brands in the sample

As Table 6 shows, the most advertising car brand was Audi with nine advertisements following Ford with seven advertisements and Peugeot, Skoda and Volkswagen with six advertisements. The versatility of different car brands was significant since the sampling included car brands that produce diverse cars to different car categories, e.g. Caterham producing only sports cars, Land Rover focusing on SUVs and Mercedes-Benz and Audi focusing on different car categories in the premium class. Some of the brands were only advertised in certain magazine, e.g. Infiniti on Motor

Trend. This indicates that car brands are focusing on certain areas to which they find advertising to be beneficial. For example, Peugeot had six advertisements in Top Gear but none in Optio and Motor Trend. This may be due to Peugeot's focus on certain area, in this case Great Britain, or the readerships of Optio and Motor Trend are not the target group for Peugeot. Another similar example is Skoda: it had five advertisements in Optio, but only one in Top Gear and none in Motor Trend. Skoda is a popular car brand in Finland and especially in the car leasing business. Optio's readership consists of business people that often have company car as a fringe benefit, which can explain the frequent advertising of Skoda. In the following chapters, concentration will be on the results of categorizing sources of value, value dimensions and appeals based on previously introduced categories.

#### 4.1. Sources of values used in the car advertisement sample

Sources of values were one of the focus points in the empirical part of this research. The appearance of different sources in advertisements were discovered in the sample. In the following chapters, the sources of values will be individually discovered through the data.

##### 4.1.1. Information

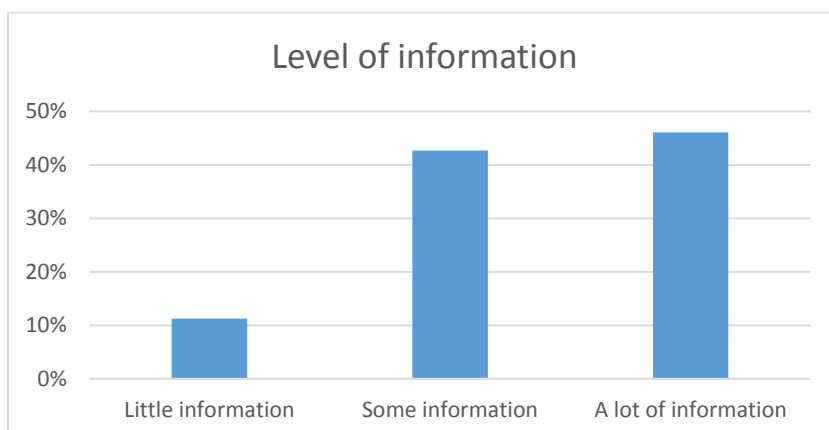


Figure 3: Information in advertisements

[illegible]

Furthermore, especially when car brands were advertising a new product or technology that has not been adapted by consumers in the market, car brands were informing audience regarding the benefits the advertised car provides to a customer. For example, Figure 4 represents a Skoda advertisement in which the car brand explains the benefits of a car that uses natural gas as fuel. Skoda is trying to educate their customer about functional benefits of a natural gas car, and thus add functional value to the product. In addition, Skoda claims in the advertisement that a natural gas car will be cheaper and more environmental friendly than a regular car, and hence add symbolic and cost value to the product.

#### 4.1.2. Product

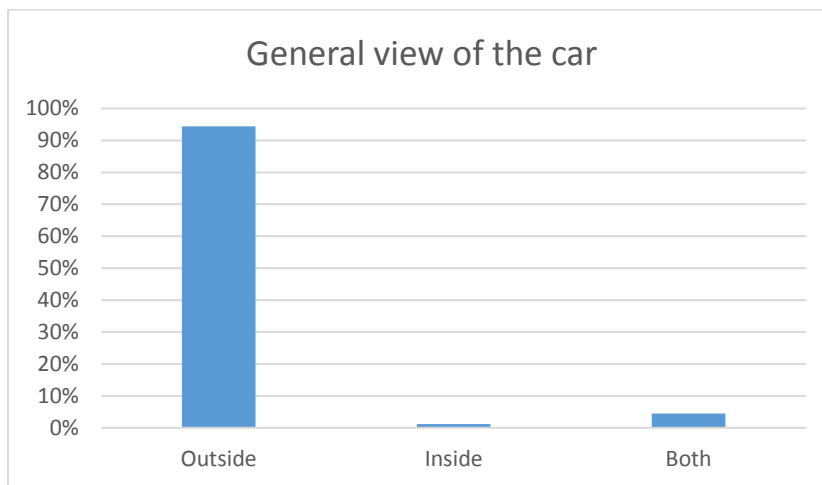


Figure 5: General view of the car

As Figure 5 represents, most of the advertisements (94%) included view of the car from outside. Only 1% of the advertisements were from inside and 4% included view from both inside and outside. This strongly suggests that car brands prefer to represent the advertised car from outside of the car, which is the most recognizable part of the car to customers. Representing the car from the outside also offers a chance to demonstrate a desired environment for the car, which emphasizes the functional aspect of the car. Furthermore, cars can be also seen as status symbols to their owners, and thus the view of the car from outside is the view other people see first when seeing a car. Hence, this result implies that car brands want to mostly deliver functional and symbolic value in advertisements rather than representing experiential opportunities of the advertised car.

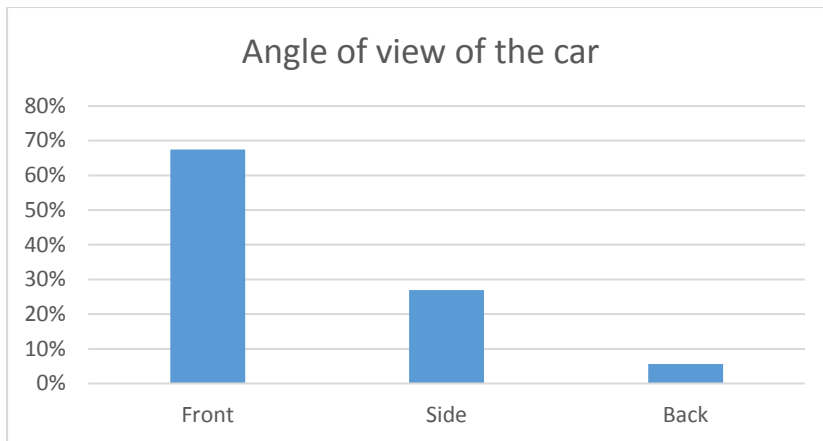


Figure 6: Angle of view of the car

Figure 6 shows that in most of the advertisements (67%) the angle of view of the car was from the front. Less popular way of displaying car was from side (27%) and from back (6%). Furthermore, point of view from the front can be attached to the general view of the car since the front of a car is the most recognizable part of cars.

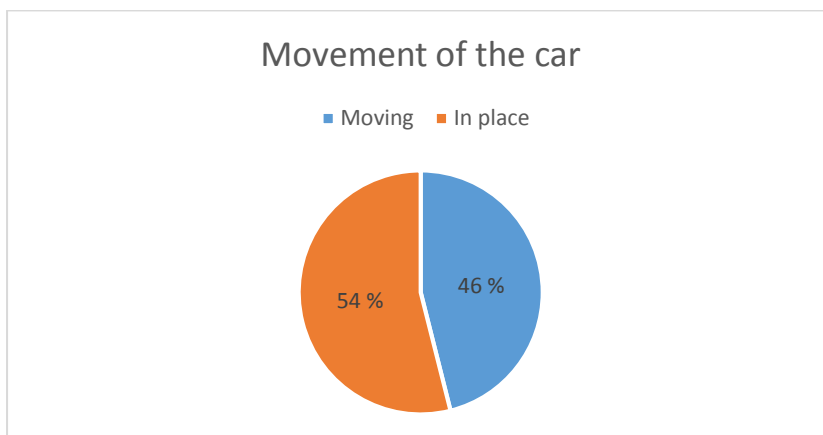


Figure 7: Movement of the car

In terms of movement of the cars in advertisements, the distribution to cars moving or being in place was almost equal. As Figure 7 represents, in 54% of the advertisements cars were in place and in 46% cars were moving. The movement of the car in the advertisement is usually dependent of attributes and characteristics that car brands want to emphasize in the advertisement. However, there were differences between magazines: in Kauppalehti Optio and Top Gear, majority of the cars were in place, but in Motor Trend majority of the cars were moving. This can be caused by cultural differences or differences in the advertised cars.

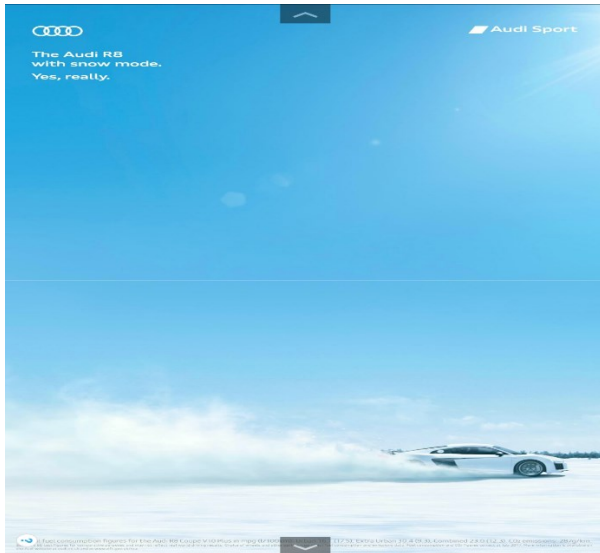


Figure 8: Audi ad from Top Gear



Figure 9: Mercedes-Benz ad from Kauppalehti Optio

For example, in Figures 7 and 8 different characteristics and values of cars are emphasized. Audi advertisement from Top Gear represents functionality of the car since it is driven in a snowy environment but also experiential aspects of the car due to the fastness and sportiness in the picture and text. On the contrary, the Mercedes-Benz advertisement from Kauppalehti Optio is an example of an advertisement that focuses on the symbolic characteristics. The immobility of the S-Class, which is known to be a luxury car made by Mercedes-Benz, highlight the symbolic appearance of a large luxury sedan. Thus, in advertisements in which cars were moving, the focus was on utilitarian and experiential benefits of the car; on the contrary, when cars were in place, the concentration was rather on creating emotional values regarding the car.

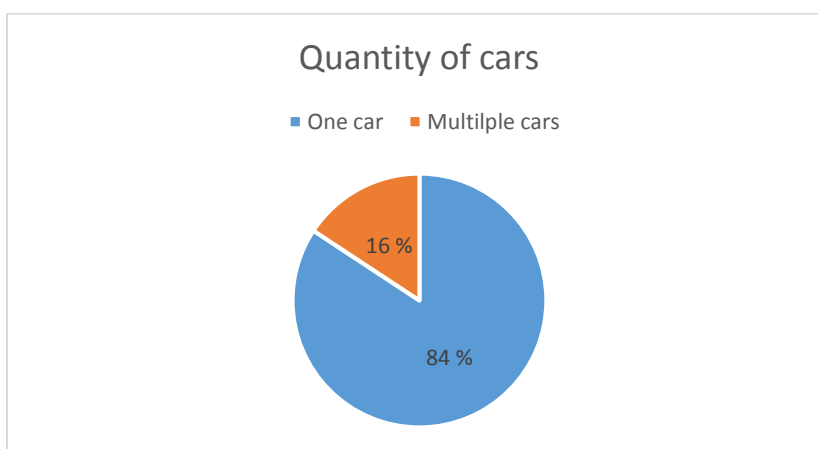


Figure 10: Quantity of cars



Figure 10 shows that most of the car advertisements (84%) had only one car and the minority of the advertisements (16%) included multiple cars. This result suggests that car manufacturers prefer to have only one car displaying the advertised product. Furthermore, in most of the advertisements car brands were only advertising one model. In such cases, car brands give the viewer only option to pay attention on the advertised car, which reduces the risk of having diffused focus and reduced impact of the advertisement.

#### 4.1.3. Interaction

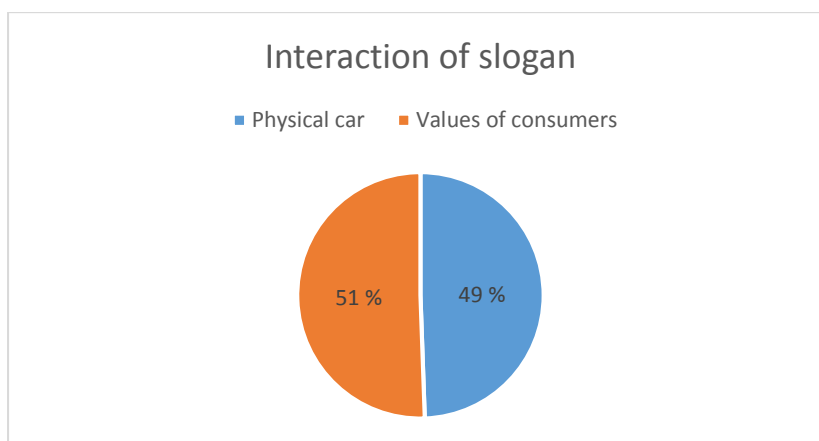


Figure 11: Interaction of slogan

Interaction of slogan was divided into two groups: whether the slogan refers to the physical car or the values of consumers. Figure 11 shows that the quantity of advertisements in which slogan was referring to the physical car was almost similar (51%) as advertisements referring to values of consumers (49%). This suggests that in overall car brands do not have a significant preference towards either of them. However, this may vary depending the advertised product and the advertiser. For example, advertisements that advertise environmental friendly cars, e.g. electric cars, car brands emphasize on appealing to the values of consumers since environmental friendliness can be seen as positive value in societies. In addition, cars that provide experiential and symbolic value to their customers, e.g. premium, luxury and sport cars, car brands were more focusing on using slogan as a way of interacting the values of the advertised car to consumers. However, there were also differences across

magazines: majority of advertisements (68%) in Top Gear had a slogan referring to physical car, whereas majority of advertisements in Kauppalehti Optio (57%) and Motor Trend (61%) had slogan referring to the values of consumers. This indicates that the readerships of Optio and Motor Trend are determined to be more focused on experiential and symbolic attributes rather than functional features.

#### 4.1.4. Environment

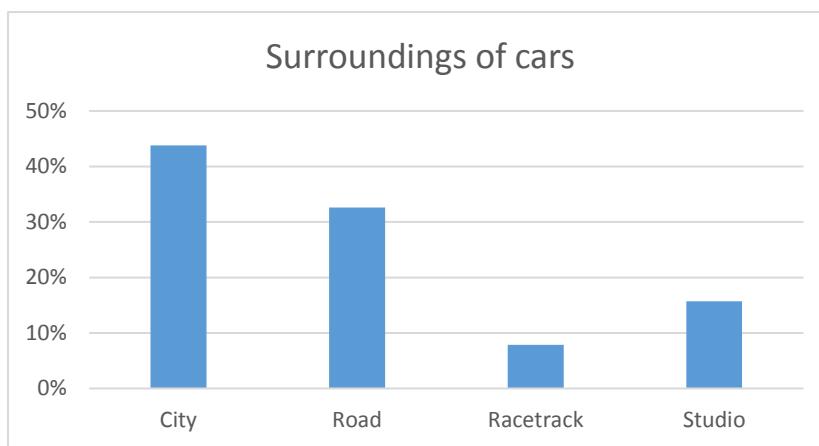


Figure 12: Surroundings of cars

As represented in Figure 12, cars were classified to be in either city, road, racetrack or studio. The most popular (44%) surroundings to display the car was city. Less popular were road (33%), studio (16%) and racetrack (8%). This result suggests that in the sample car brands were focusing on advertising cars mostly in either city or in road. Most of the advertised cars in the sample were family and city cars, which explains the results since cars are usually displayed in an environment in which they are most beneficial for the user.

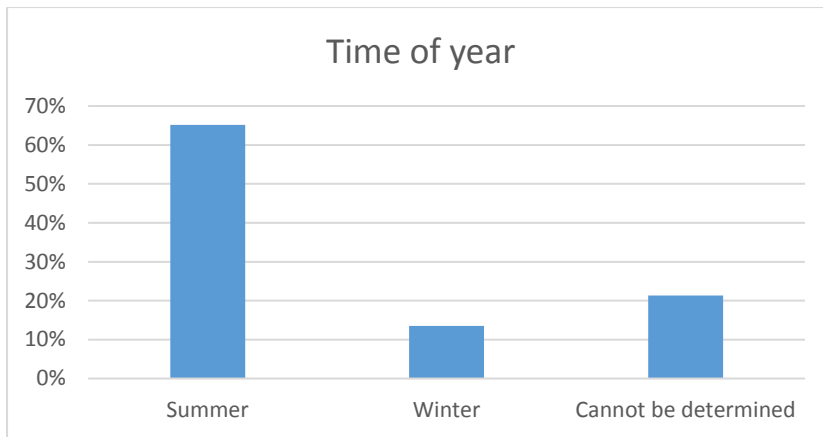


Figure 13: Time of year

Regarding the time of year, as Figure 13 represents, in most of the advertisements (65%) the time of the year was summer. Conversely, only in 13% of the advertisements cars were displayed in winter and in 15% of the advertisement the time of year could not be detected. Even though the magazines in the sample were published during fall and winter, the most popular time of year in car advertisements appeared to be summer. Summer is the time of year, which represents joy, warmth and enjoyment. Hence, many car manufactures want to provide these feelings and associations to their cars in order to create value. In addition, if cars in the advertisements were in a winter environment, e.g. in Figure 14, car brands mostly highlighted functional aspects of the car, for example capabilities in tough winter surroundings.



Figure 14: Subaru ad from Motor Trend

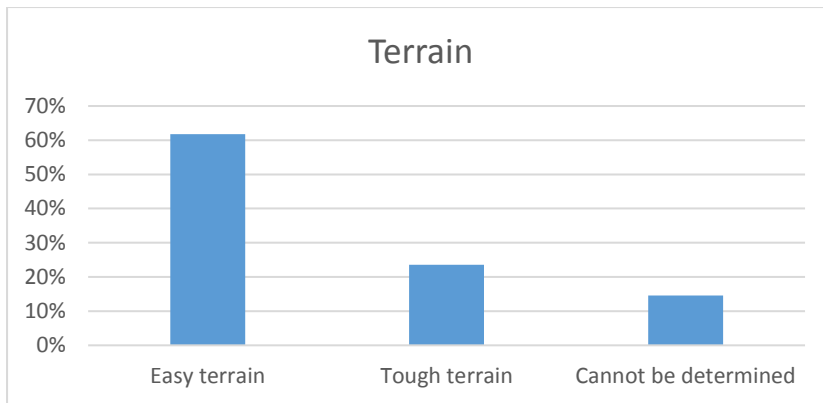


Figure 15: Terrain in the advertisement

As Figure 15 shows, in most of the advertisements (62%) cars were in easy terrain. On the other hand, in 24% of the advertisements cars were in tough terrain and in 15% of advertisements the terrain of cars could not be detected. In most of these cases, cars were advertised in studios. Most of the cars in the sample advertisements were family cars that are generally made to cities and roads, and hence they are advertised in the most suitable environment. Furthermore, the results of terrain go almost hand-in-hand with time of year, e.g. summer environment usually include easy terrain and winter environment include ice and snow, which represents tough terrain.

#### 4.1.5. Ownership transformation

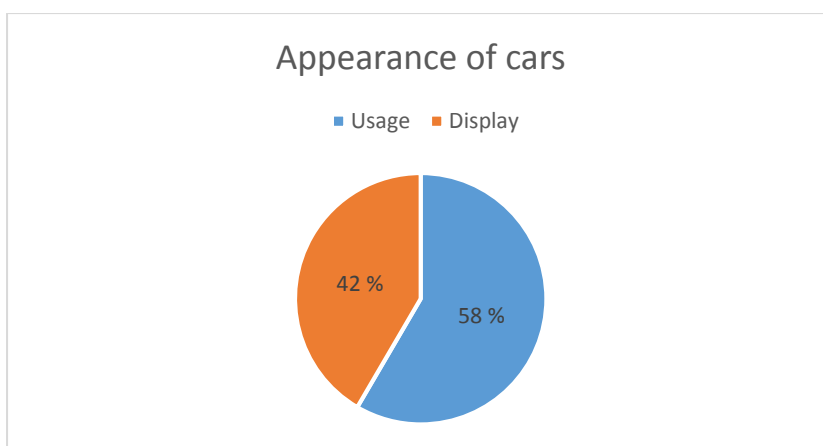


Figure 16: Appearance of cars

Regarding source of value as ownership transformation, the focus was on whether the appearance of advertised cars in the advertisements was about the usage of the cars

or displaying the cars. Figure 16 shows that in 58% of the advertisements cars were used and in 42% cars were displayed to the audience. When cars were in use in the advertisement, the picture and text intended to represent functional and experiential experiences the advertised car offers for its users. Furthermore, if the appearance of cars was rather posturing to the camera, advertisements usually represented functional and symbolic benefits of the car.

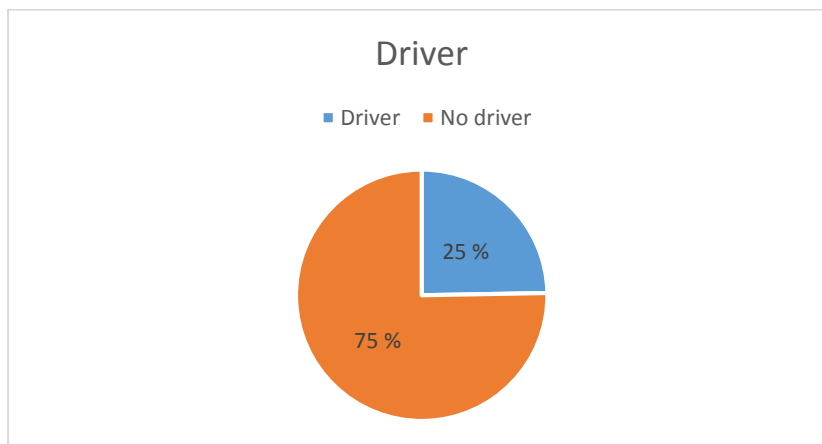


Figure 17: Drivers in cars

In addition, another feature observed regarding ownership transformation was whether there was a recognizable driver in the advertisement. As Figure 17 shows, in most of the advertisements (75%), there was not a driver in the car or the driver could not be recognized in the picture. In 25% of the advertisements there was a recognizable driver in the advertisement. This suggest that car brands prefer to advertise without having a recognizable driver in the car.

#### 4.2. Value dimensions used in the car advertisement sample

In the data sample, delivery of functional, experiential and symbolic values was determined by the same categorization. The concentration was whether these values are created in the advertisements through picture, text or both. In some cases, value creation could not be determined from the picture or text. The following Table 7 represents the interpretation of the data.

<b>All advertisements</b>	<b>Functional</b>	<b>Experiential</b>	<b>Symbolic</b>
Text	19 %	17 %	12 %
Picture	21 %	16 %	16 %
Both	54 %	58 %	61 %
No value delivered	6 %	9 %	0 %
<b>Kauppalehti Optio</b>			
Text	14 %	14 %	25 %
Picture	18 %	4 %	11 %
Both	64 %	79 %	64 %
No value delivered	4 %	4 %	0 %
<b>Top Gear</b>			
Text	29 %	25 %	14 %
Picture	18 %	11 %	18 %
Both	43 %	54 %	68 %
No value delivered	11 %	11 %	0 %
<b>Motor Trend</b>			
Text	15 %	12 %	3 %
Picture	27 %	30 %	24 %
Both	55 %	45 %	73 %
No value delivered	3 %	12 %	0 %

Table 7: Creation of functional, experiential and symbolic value

One main observation regarding the value creation of the values was the strong supportiveness of each value appearance in the advertisements. As Table 7 shows, in most of the advertisements symbolic value (61%) and experiential value (58%) had both appearances, picture and text, supporting each other in order to create value. Individually picture and text were only creating value in 16% to 21% of the advertisements.

Firstly, functional value was created in 19% of advertisements in picture, 17% in text and 48% in both. Mostly functional value was created by attaching the car to an environment in which it is most beneficial to customers in a functional way.

Furthermore, usually the functionality was also represented in the text in order to further elaborate the features and attributes that allow the car to operate in the environment. Car brands used terms and features, e.g. four wheel driving system, gas mileage and safety systems, to enable the viewer to assimilate the functional benefits of the advertised car. When it comes to differences between magazines, all of the magazines emphasized using both text and picture as value creation channels. However, as Table 7 shows, Top Gear had higher singular use of text (29%) than Optio (14%) and Motor Trend (15%).



Figure 18: BMW ad from Kauppalehti Optio



Figure 19: Volvo ad from Motor Trend

Figures 18 and 19 represent functional value creation in practice. In the advertisement by BMW, functional value is created through picture and text. The car, sporty SUV, is placed in tough surroundings in order to represent capabilities of the car. The text further elaborates the technical features of the car, which support the impression viewer gets from the picture. Regarding only advertising value in picture, the advertisement by Volvo is an example in which functional value is created by visual appearance. The car is in an environment in which most cars wouldn't be able to drive, which represents the unusual capabilities of the car.

Secondly, experiential value was created in 16% of the advertisements in the picture, 17% in text and 58% in both of them. In general, experiential value was created in the picture by placing the car to an appropriate environment for the car or by evoking



emotions and feelings through strong visual appearances in the picture. In addition, when the experiential value was created in text, generally slogan was appealing to personal consumers' values or to the experiences a customer could achieve with the car. For example, many car brands used short concise sentences to demonstrate experiential benefits of the car: "Quattro (four wheel driving system) takes you to the top" and "In business class to free time". Furthermore, there were no significant differences between magazines: all of the magazines emphasized using both text and picture as value creation channels. However, Motor Trend had relatively high singular use of picture (30%) than Top Gear (11%) and Optio (4%).



Figure 20: Audi ad from Kauppalehti Optio



Figure 21: Toyota ad from Motor Trend

Figures 20 and 21 represent experiential value creation in practice. The advertisement by Audi created experiential value in both picture and text. The picture evokes feelings and emotions through a sport athlete as well as attaching the car to an unusual environment in which the car can operate. On the other hand, the text evokes feelings of the viewer and represents experiences that could be experienced with the car. Yet, in the advertisement by Toyota experiential value is created only in the picture: the picture is provoking feelings and emotions by attaching a speedy car to an unusual environment.

Thirdly, another observed value in the advertisements was symbolic value. The value is created when the attributes in the advertisement represented status, cultural connections, personal values and symbolic associations. In 16% of the advertisements



symbolic value was created in picture, in 12% in text and in 61% in both. In general, cars were placed in the advertisements in a way that represented status. Regarding text associations, most of the advertisements included slogans that appealed to personal values. When it comes to differences between magazines, there were no significant differences: in all of the magazines both text and picture were creating the symbolic value. Only noteworthy difference was the use of text as singular value creation channel: 25% of the advertisements in Optio had used it as a singular value creation channel, whereas 14% of advertisements in Top Gear and 3% in Motor Trend had used only text.

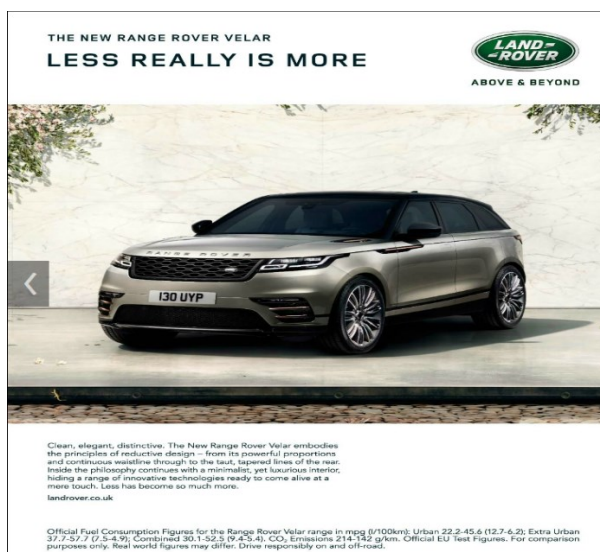


Figure 22: Land Rover ad from Top Gear



Figure 23: Ford ad from Top Gear

Figures 22 and 23 represent symbolic value creation in practice. The advertisement by Land Rover is an example of an advertisement, which creates symbolic value through visual appearance and text. The car is in central role in the picture as a status symbol and the slogan and the text further endorse the status symbol mental image. In addition, the Ford advertisement is an example in which symbolic value is created through only the picture: the central and pompous appearance of the Mustang creates a strong status in the picture.

<b>Cost value</b>	<b>Can be recognized</b>	<b>Cannot be recognized</b>
All magazines	27 %	63 %
Kauppalehti Optio	71 %	29 %
Top Gear	11 %	89 %
Motor Trend	9 %	91 %

Table 8: Creation of cost value

In the sample, cost value was determined based on the clear appearance of price in the advertisements. As Table 8 shows, in majority of the advertisements (63%) price couldn't be recognized clearly from the picture. However, there were significant differences between magazines and countries because the advertisements from Kauppalehti Optio mostly (71%) included a clear price, whereas minority of advertisements from both Top Gear (11%) and Motor Trend (9%) included price of the car. Instead of having price, advertisements in Top Gear had mostly information regarding fuel consumption and emissions in small print. Furthermore, only small minority of Motor Trend advertisements included details of either price or fuel consumption and emissions. Differences in the magazines can be affected by different practices and legislations in the publishing countries, because industry set standards can be dissimilar and public authorities may require car brands to include certain information concerning the car.

## **5. DISCUSSION AND CONCLUSIONS**

This part of the thesis will discuss the theory adapted from the literature review and the conducted empirical research regarding the studied concept of customer value creation. The aim is to answer to the research questions and further elaborate theoretical and empirical part of the study.

### **5.1. Main findings**

From the existing literature review, this thesis explored four different value dimensions: functional value, experiential value, symbolic value and cost value. Firstly, functional value is created when functional aspects of the product or service are highlighted. In addition, experiential value is created when the value creation is based on emotional and experiential attributes of the product. Furthermore, symbolic value is based on psychological meanings and associations consumers' are able to attach to the product. Finally, cost value is based on costs and sacrifices consumers have to give in transfer for the benefits they gain. By detecting and determining these customer values, the further focus was in the empirical part to study, which focused on the ways the value dimensions come into existence in car advertisements.

In order to create such values, companies use certain sources of values. This thesis detected five sources of values: interaction, information, product, environment and ownership transformation. In the first place, by interacting with consumers companies can communicate the value of their product and brand to their customers. In order to communicate the value, companies use information in the communication process. This allows them to educate their customers about the product and the benefits received for purchasing the product. Furthermore, products act as one source of value: they include characteristics and attributes that consumers can find beneficial when using the product. Finally, appropriate environment for the product usage can highlight the desired attributes of the product and ownership transformation can have a positive impact on value creation regarding purchasing processes and deliveries.

The usage of the different value dimensions and ways of delivering them is an opportunity for car companies to differentiate their offerings from others in the market. The study showed that companies use different sources of values to create and deliver certain values. This can be seen as a fundamental opportunity for companies because car industry is a highly competitive industry in which companies have to find ways get attention and stand out from the mass. If companies can get positive attention for their products in the market, they could gain competitive advantage, which can further have a positive impact on the success of business operations.

The result of the qualitative study suggest that car companies mostly use both visual and textual appearance to deliver different values to customers. This suggests that the companies have detected that the combination of using different appearances will support each other in order to deliver value. Consumers gain both visual and textual stimulus, which offers a chance to create a comprehensive mental image considering the advertised product. Consumers do not have to rely on either photographic or textual memory in order to remember the advertisement; they rather have a broad mental image of companies' offerings. This is also an opportunity for companies to create a complete representation of their products, which can further help them to make sure that consumers understand the uniqueness of their products. For example, if an electric car manufacturer represents the desired benefits of the product, e.g. environmental friendliness, in the picture, but also in the textual part of the advertisement, it is more likely that the viewer can assimilate the delivered message more effectively than if only one appearance was used.

Furthermore, the results of the empirical study suggest that car companies use variety of sources of value to create and deliver value to customers. For example, most car brands used at least some information in their advertising. This is comprehensible since information is a basic fundamental source of value that can be further utilized in order to act as an appeal in the advertisement and a way to deliver value to customers. Whether the advertisement is about demonstrating utilitarian or value-expressive benefits of the product, informing customers about the benefits of the products can be seen as a supportive element in advertising, especially when educating and informing consumers. This can be attached to the previously introduced theory by Bendixen, which highlighted the role of interactions as a source of value. Moreover, information

can be also attached to the advertising objectives of companies: both informing and educating consumers about their brands and offerings are crucial for companies in order to have better awareness towards their brands and products.

In addition, environment was another source of value that was highlighted in both in theory and in practice. According to Smith and Colgate (2007), environment was considered to be a source of value that companies can use to demonstrate the benefits of the advertised car in practice. This is mostly done through utilitarian appearance of the product, which further creates functional value. This was the result of empirical part of the study as well. Cars were displayed in an environment in which they are most beneficial to users or the users desire to use the cars beneficially in this certain environment. Furthermore, environment can also inform and educate customers about the usage of the product. Therefore, environment could be also seen as a multifunctional source of value that can be applied to different sources of values.

## **5.2. Implications for international business**

This study showed that car brands use different methods to pursue certain sources in advertisements to create and deliver value to customers. For example, the car advertisements in Kauppalehti Optio, published in Finland, pursued values mostly through both picture and text. Similarly, car advertisements in Top Gear, published in United Kingdom, and Motor Gear, published in the United States, pursued values through picture and text, but not as distinctively as in Optio. Furthermore, when it comes to using one single value creation channel in advertisements, text was mostly used in Top Gear and picture was mostly used in Motor Trend. However, the most significant difference was in the way of presenting price: 71% of Optio advertisements contained information regarding pricing, whereas only 11% of the Top Gears and 9% of the Motor Trends had pricing stated. This difference can be explained through different practices and legislations: in some countries, it can be standard to advertise price and in other countries legislation may require to include the pricing in the advertisement. Therefore, it is important for car marketers to be aware of different practices and legislations in different countries in order to successfully to adapt to the local business environment.

Furthermore, when it comes to customer values around the world, car marketers should be aware of cultural differences, because in some countries people value different values than in others. Thus, it is important for car marketers to gain understanding about the desired values in certain parts of the world, but also how those desired values can be created there. This study showed that car brands use different ways of creating and delivering values to consumers in different countries. However, the ways, e.g. visual and textual appearance in advertisements, do not directly indicate, which ways should be used in certain countries: rather the focus should be on the determination of the most suitable content for certain countries. Because the content may vary across countries, car marketers have to produce different advertisements to different markets.

Finally, another considerably worthy implication for car marketers is the standard of living of the targeted consumers. For example, people in the Nordics are more likely to be able to afford premium cars than people in the developing countries. Therefore, the focus should be on a market, which is most suitable for the car brand and its class across car companies. However, the overall size of the market also matters: if the high standard living country is relatively small, advertising in a larger market may be more effective.

### **5.3. Limitations and suggestions for further research**

There are probable limitations concerning this study, which could be taken into account for future improvement in the car brand advertising research field. The main limitation for this study is the relatively small sample size (3) of particular magazines that are targeted at certain consumer groups. Two of the magazines were pure car magazines that are targeted at men: this affects the ways car brands use to create and deliver customer values since men and women behave differently. Thus, in order to gain more comprehensive understanding of the customer value creation in car advertising, further research should be conducted in different context.

The second limitation for this research is the adapted value dimensions model. Even though the value dimension model used in this study is widely known and comparable

to other models, there are still differences between the value dimension by Smith and Colgate and others in the academic field of customer value creation. Therefore, in order to endorse the results of this study, other value dimension models should be adapted and studied in the context of car brand advertising in print media. This would give comparable data that could be compared to the results of this study.

Third and final limitation for this research is the operationalization of the value dimensions. The sources of values were classified according to different characteristics and features that can be applied to them in the context of this study. However, the concentration of the observed characteristics and features could have been different, which could have resulted in different conclusions. Therefore, in order to gain endorsement to the results of this study, further research with similar focus should be conducted.

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